



FUNDAMENTUM

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A focus on the Care Sector

23 November 2018

In the news

Last week Allied Healthcare announced its intention to **transfer all of its care contracts, 13,000 for older and disabled people** to other providers, due to concerns over its future financial sustainability. As the UK's largest care company established in 1972, they now have 140 branches across the UK and Ireland, and provide services such as preparing meals, washing and giving medication. Last week, the **Care Quality Commission (CQC)**, issued a notice warning as the company had failed to provide adequate assurances regarding future funding, and there was now a credible risk of disruption to services. Since then, some **Local Authorities have already taken steps to find new providers**. Allied Healthcare, councils, the regulator and the Government have assured focus on making sure vital care will continue as normal for the more than 13,000 people who may be affected.

Who are the CQC?

The CQC monitor, inspect and regulate services to make sure care services meet fundamental standards of quality and safety. They then publish their findings, including performance ratings to help people choose care. They look at **safety, safeguarding, premises and equipment standards, governance and staffing**. The CQC is obliged to notify Local Authorities if it thinks a firm carrying out regulated care services is likely to collapse, to allow councils time to prepare contingency plans.



What are the figures?

Numbers of elderly people in 24-hour care are set to double by 2035 in the UK. **Residential and nursing homes care for 460,000 people**, many of whom have multiple complex health needs, and over **500,000 more rely on social care at home**. Serious concerns remain about the pressure on the care market in the UK. Earlier this year, Allied Healthcare apportioned blame to low fees from Local Authorities for their financial woes.

What is the Government's solution?

The Government is due to release a green paper on the long-term funding of social care by the end of the year. The financial problems faced by Allied will have underlined just how much strain the care system is under right now. Simon Bottery, a senior fellow at the King's Fund, an independent charity working to improve health and care in England, has said: "The problems faced by Allied Healthcare are a **symptom of the huge pressures facing the social care** system which is at breaking point after years of underfunding." Despite the Chancellor announcing £650m of grant funding in the Autumn Budget for Local Authorities to spend on adult and children's social care, all eyes will be on the green paper to see how the Government prepares to address, and even reform the care sector.

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